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Phoenix, AZ 85007

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DOCKET No. E-00000J-10-0044

This is a letter from Sharon Contorno filed in the recent APS rate case

Arizona Corporation Commission

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January 12, 2009

Arizona Corporation Commission  
1200 W. Washington  
Phoenix, AZ 85007

RE: Arizona Public Service Extension Policy

Dear Sirs:

Having been a real estate agent dealing with land sales in the outlying areas of Maricopa County for 25 years, I take pride in my experience and my knowledge, as well as my integrity in creating a fair market and building a very large referral business comprising of investors and end users. Contrary to what many think, many families want to live in rural areas, not in subdivisions in the city.

Thus, the **most significant, single factor** which determines land values in rural areas is the proximity to electricity. At best, as a real estate agent, since I could not quote prices and my only tool to help determine these values was the published Arizona Public Service Extension Policy, which had free footage if you were within a specified distance (1,000' with a per' charge up to 2,000') or, if the cost was under \$25,000. I think that it is safe to say that over the last 40+ years, costs have increased in every industry. However, the Corporation Commission didn't find it necessary to regulate or encourage APS to change the \$25,000 cost ceiling, knowing that the \$25,000 number from **ancient times** should have been increased. That shows me how lax the Corporation Commission is in keeping up with their duties. Instead, they (APS) just kept increasing the per' cost and decided to add costs such as "\$6,000 for every right angle ...making it impossible to keep the cost to extend power under \$25,000. Where was that printed? I spent many hours on my cell phone with employees of APS walking off distances, trying to get prices (which, by the way was a Catch 22, as you had to pay APS to get a quote).

It's bad enough that the public doesn't have a choice....that we are dealing with a **monopoly**. I have clients who want to build homes and have power right to their property line. They are looking at expenses upwards of \$7,500. I have another client who paid \$170,000 to bring power ½ mile (that's 2,640'). I can also tell of an incident in past years when APS agreed to refund money to APS users in a particular subdivision because they lied to the property owners about the deal they made with the defunct developer. When I called the Corporation Commission, I was told they knew **nothing about it**.

I also resent the fact that my livelihood is suffering, that I have clients who say I misrepresented them (will you pay my attorney fees if I am sued?), property that I have had to take back, investors who, even in this economic debacle, would invest in land, carry back notes that the bank will not, families who would build, if not for the exorbitant costs of electricity, etc., etc.

I urge you to take a long, hard look at the "*domino effect*" that this change in the APS Extension Policy has had on so many people in so many walks of life....especially when they have **no** choice! With more thought and support and consideration given to *the public*, instead of a **monopoly**, it's a "given" that our economy in Arizona would turn around and bounce back much faster.

Yours truly,



Sharon Contorno

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